

United States Senate

WASHINGTON, DC 20510

June 23, 2011

The Honorable Max Baucus
Chairman, Committee on Finance
United States Senate
511 Hart Senate Office Building
Washington, DC 20510

The Honorable Orrin Hatch
Ranking Member, Committee on Finance
United States Senate
511 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Baucus and Ranking Member Hatch,

As \$4 per gallon gasoline hampers our nation's economic recovery and public transportation continues to experience its highest ridership levels of the past five decades, we request your help in addressing the transit crisis our rural, suburban, and urban communities are facing.¹ Public transportation offers the only current, large scale, low cost alternative to \$4 per gallon gasoline available for most drivers. Greater public transportation funding must be made available through the Mass Transit Account in the next surface transportation authorization to ensure that our economic recovery continues and that we can become less dependent on increasingly expensive petroleum while meeting our transportation needs.

Public transportation systems are in crisis around the nation. Transit is experiencing record demand as drivers grapple with high gasoline prices and consumer preferences shift, but systems do not have adequate support to accommodate all of their new riders. While transit agencies experience record demand, their ability to provide sufficient service is stymied by record high diesel prices, local and state government funding cuts, and tens of billions of dollars in maintenance backlogs. This means that exactly when we need public transportation agencies the most, they have been forced to raise fares, cut back on service, and lay off workers.

The 2008 spike in fuel prices showed us that new riders choose public transportation as an affordable, effective transportation option as costs rise.² In 2006, the U.S. exceeded 10 billion trips per year for the first time in five decades and has surpassed that figure every year since.³ According to the American Public Transportation Association, with gasoline at \$4 per gallon

¹ 2011 Public Transportation Fact Book: 62nd edition. Washington: American Public Transportation Association, April 2011. Page 10. Web. June 2011.

² "During the 2007 and 2008 gas price spike, 85 percent of transit agencies reported experiencing capacity constraints on parts of their systems. Over one-half of systems operated service crowded beyond their local service standards. This was despite 48 percent of agencies adding service. Thirty-nine percent reported that overcrowded conditions were such that they were turning away passengers," Potential Impact of Gasoline Price Increases on U.S. Public Transportation Ridership, 2011-2012. Washington: American Public Transportation Association, March 14, 2011. Page 2. Web. June 2011.

³ 2011 Public Transportation Fact Book: 62nd edition. Table 5: Unlinked Passenger Trips by Mode. Washington: American Public Transportation Association, April 2011. Page 10. Web. June 2011.

right now, we can expect an additional 670 million passenger trips this year, leading to a total of 10.8 billion trips nationally. If prices reach \$5 per gallon that number could hit 11.6 billion trips.⁴ Most transit trips connect workers with jobs. Public transportation also provides a life line, especially in rural communities, for those with lower incomes or disabilities, or for those who have lost the ability to drive as they get older. While demand for public transportation is higher than ever and likely to grow, resources for transit are under attack.

Despite transit demand at all-time highs, the economic downturn has decimated agency budgets. The American Public Transportation Association reports that more than 80 percent of public transit systems have seen flat or decreased funding from local, regional, and state sources, and of those, nearly nine out of ten raised fares or cut service.⁵ Rising diesel prices further stretch tight budgets. In order for public transportation agencies to meet high demand amid local budget cuts, additional federal investment is needed.

While public transportation agencies are facing a short-term fiscal crisis, they are also deferring important ongoing investments. The Federal Transit Administration's National State of Good Repair Assessment conducted in 2010 estimates a \$77.7 billion maintenance backlog in the nation's rail and bus transit systems.⁶ This backlog threatens to undermine the safety and reliability of one of our most dependable transportation modes. Such longer term investments cannot be ignored if we are to preserve these invaluable transportation services.

Public transportation is also a proven job creator. The Center for Neighborhood Technology, Smart Growth America, and the U.S. Public Interest Research Group determined that transit produced 16,419 job-months per billion dollars of recent expenditures.⁷ At a time when job creation is a priority, we must recognize public transportation as the promising solution that it is.

SAFTEA-LU has left us a major funding challenge. During the worst economic downturn in recent memory, we must identify new approaches for funding infrastructure projects. A truly long-term and prudent vision for a future transportation network will strengthen the role of public transportation in growing our communities and ensure that new funding strategies do not favor highway spending to the detriment of public transportation spending.

⁴*Potential Impact of Gasoline Price Increases on U.S. Public Transportation Ridership, 2011-2012*. Washington: American Public Transportation Association, March 14, 2011. Page 2. Web. June 2011.

⁵*Challenge of State and Local Funding Constraints on Transit Systems: Effects on Service, Fares, Employments, and Ridership*. Washington: American Public Transportation Association, June 2009. Web. June 2011.

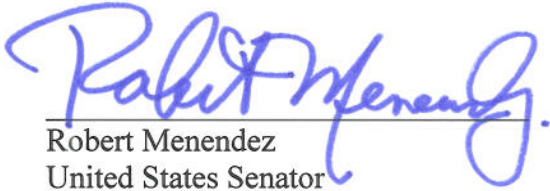
⁶*National State of Good Repair Assessment*. Washington: U.S. Department of Transportation, Federal Transit Administration, June 2010. Web. June 2011.

⁷*What We Learned from the Stimulus: And how to use what we learned to speed job creation in the 2010 jobs bill*. Washington: Center for Neighborhood Technology, Smart Growth America, and the U.S. Public Interest Research Group, January 5, 2011. Web. June 2011.


Americans want and deserve transportation options that reflect community priorities and values. At a time when deficit reduction is attracting the full focus of the Congress, we implore the Committee to strengthen the Mass Transit Account's fair share of funding in the next surface transportation authorization to guarantee that our economic recovery continues and that we can be more self-reliant in meeting our transportation needs.


We thank you for your consideration.

Sincerely,


Robert Menendez
United States Senator

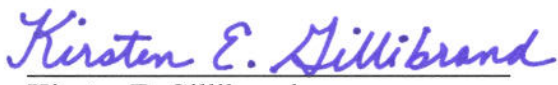

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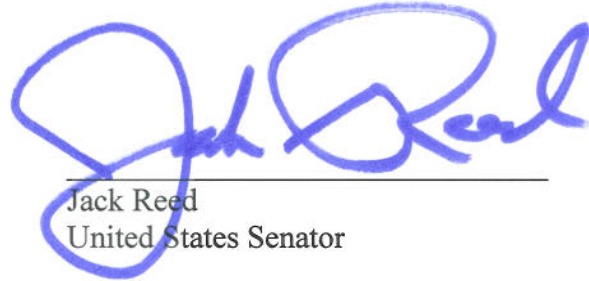
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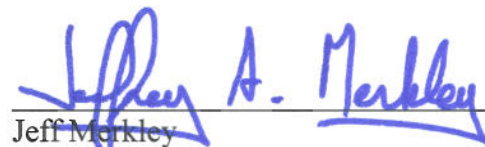
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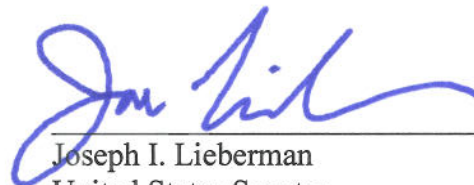
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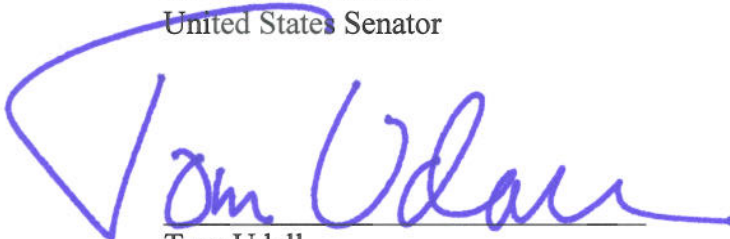
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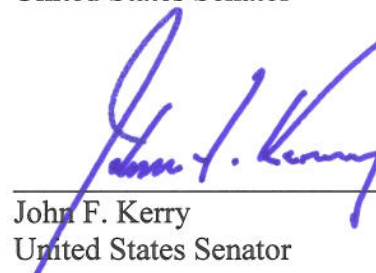
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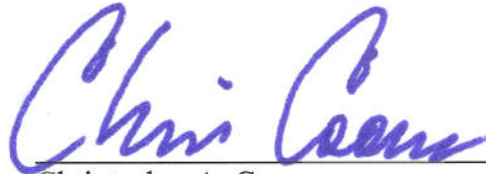
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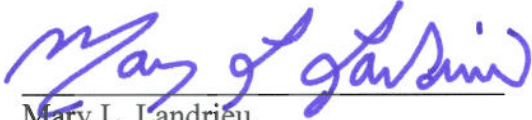
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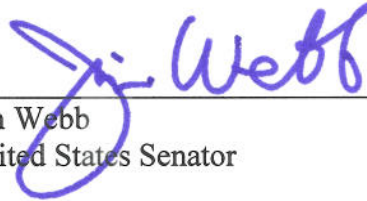
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